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AGRICULTURAL COOPERATION

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RETURNS FOR COTTON LARGER THAN ANTICIPATED

Announcement is made by the general manager of the North Carolina Cotton Growers' Cooperative Association, Raleigh, N. C., that payments to members will amount to 29¢ per pound for middling cotton of the 1923 crop, instead of 28.8¢ as previously stated. The total number of bales handled was 130,716 and the total payments will amount to something over eighteen million dollars.

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COOPERATIVE RICE ASSOCIATION ACTIVE

Sales of rice through the American Rice Growers' Association, Lake Charles, La., amounted to 845,556 barrels for the 1923-24 season, at an average price of \$4.0134 per barrel, or a total of \$3,393,554. Six districts in Texas contributed 426,584 barrels which brought an average price of \$4.1769; and seven Louisiana districts sold 418,372 barrels at \$3.8468. During the 1921-22 season the association handled 1,992,133 barrels of rough rice which sold for \$7,232,134; and the following year it handled 1,430,639 barrels which sold for \$4,764,830, or an average price per barrel of \$3,3305. The association has a membership in excess of 1,400.

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OVER A MILLION POUNDS OF SEED HANDLED COOPERATIVELY

Two hundred members of the Egyptian Seed Growers' Exchange, Flora, Ill., attended the third annual meeting held July 8, 1924, in the seed warehouse. The final statement for the 1923 red top seed pool indicated that 1,168,739 pounds of seed had been handled, that the fancy seed had been sold for \$133,779 and the unhulled seed for \$16,220, making total sales \$154,699. The expenses of operation were \$18,596, consisting of cleaning and warehousing, \$9,360; freight, \$771; insurance and interest, \$1,579; selling expense, \$2,061; overhead expense, \$4,323. The net worth of the exchange on June 30, 1924, was \$3,261. The exchange held \$20,000 of the stocks and bonds of the Red Top Growers' Warehouse Association.

The average gross selling price for seed was 13.23¢ a pound in 1923 as compared with 13.2¢ in 1922, while operating expense per pound was but 1.58¢ in 1923, compared with 2.3¢ for the preceding year.

BONDS TO BE RETIRED BY WALNUT ASSOCIATION

Announcement is made by the California Walnut Growers' Association, Los Angeles, Calif., that it is now in a position to purchase and retire \$10,000 worth of its bonds. These will be purchased at par and accrued interest from any owners who wish to sell, up to the amount specified.

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DATE FOR THIRD COOPERATIVE CONGRESS ANNOUNCED

It is announced by the National Council of Farmers' Cooperative Marketing Associations, Chicago, Ill., that the third annual cooperative conference will be held in Washington, D. C., January 4 to 7, 1925. A committee has been appointed by the National Council to make a detailed analysis of the bills pending in Congress dealing with cooperative marketing.

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RECENT BOOKS ON COOPERATION LISTED

A supplemental reading list on agricultural cooperation has been prepared to include such titles as were not available at an earlier date. This list is issued in mimeographed form as a supplement to "Agricultural Cooperation, A selected and annotated reading list," Miscellaneous Circular, No. 11, July, 1923. Both Circular No. 11 and the supplement may be obtained by addressing the Division of Agricultural Cooperation, Bureau of Agricultural Economics, U. S. Department of Agriculture, Washington, D. C.

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LANTERN SLIDES ILLUSTRATING COOPERATIVE MARKETING

A set of lantern slides showing the purpose and scope of the Federated Fruit and Vegetable Growers, New York City, has been prepared for use in keeping its membership informed as to the development of the selling agency and its present status in the fruit and vegetable industry. Slides illustrating the services of the organization to its members and its major activities during the first year of operation are included in the set. Supplementary slides which illustrate the merchandising of fruits and vegetables have also been prepared. The latter show labels used by member organizations, samples of dealer-service material distributed in support of the various selling campaigns of the year, and the type of advertising literature, car cards, price tickets, etc., used. Duplicate sets of these slides will be available to the member associations for field work in behalf of new members and the improvement of morale.

NEW BULLETIN ON MARKETING OF CITRUS FRUIT

Actual figures regarding various expenses incurred in the marketing of citrus fruits are presented in U. S. Department of Agriculture Bulletin No. 1261, "Operating Methods and Expense of Cooperative Citrus-Fruit Marketing Agencies," mentioned in this circular under date of July 16. This bulletin is now available for distribution and may be secured by addressing the Division of Agricultural Cooperation, Bureau of Agricultural Economics, U. S. Department of Agriculture, Washington, D. C.

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JERSEY GROWERS TO MARKET ONLY GOOD PEACHES

Thinning their fruit and allowing only the peaches of marketable quality to reach maturity, is the plan adopted by the Jersey Fruit Growers' Cooperative Association, Camden, N. J., to produce high quality peaches. All dwarfed and diseased fruit is removed, then the remaining fruit is thinned to a distance of 6 to 8 inches. This practice is quite general this year as the result of a campaign waged early in the season by the field manager of the association, aided by the State Extension Service and others, as a part of the marketing program.

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POTATO FARMERS TO BE PAID FOR HOME STORAGE

Three cents per bushel will be allowed to members of the Minnesota Potato Growers' Exchange, St. Paul, Minn., for storing their potatoes on their own farms. An additional one cent per bushel per month will be allowed for each month or fraction thereof that potatoes stay on the farm. This will make it possible for farmers to receive a bonus of nine cents a bushel if potatoes are stored until spring. A campaign to increase the amount of farm storage of potatoes is being carried on by the exchange with the assistance of the agricultural papers, the Extension Service of the College of Agriculture, and the State Department of Agriculture. It is pointed out by officials that the sum received for storage by many farmers may be enough to pay for a permanent root cellar.

A forward step was taken recently by the exchange when the creation of a seed department was authorized by the board of directors. All the activities connected with the production and marketing of seed potatoes will be directed by a department manager who has been selected because of his knowledge of seed potatoes. Plans include an extensive advertising campaign, especially in the South where Minnesota seed potatoes have been found satisfactory as they are hardy and yield heavily.

OHIO CABBAGE GROWERS ARE ORGANIZING

Cabbage growers in the State of Ohio are making plans for the marketing of their crops on a cooperative basis. Five local associations of growers have been incorporated and one member from each local has been selected as a trustee to aid in forming the Ohio Cabbage Growers' Cooperative Association. It is presumed that the organization of the state association is completed by this time. The trustees already chosen will constitute the government body of the state association. The marketing agreement is for three years.

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APRICOTS AND PRUNES BEING SOLD IN LARGE QUANTITIES

Opening prices on 1924 apricots were announced on June 23 by the California Prune and Apricot Growers' Association, San Jose, Calif., and within five days approximately 3,500,000 pounds had been sold. These prices are based on a careful estimate of the crop and an analysis of the market. Early in July the manager announced that about 50% of the 1924 crop had been sold and all brokers, both foreign and domestic, were notified that the association for the time being would make no further sales of apricots, as it was impossible at that time to estimate what the deliveries might be. Prices on several varieties have been advanced.

Payments ranging from 2¢ to 6¢ a pound on the different grades are being sent to growers immediately on receipt of grade sheets from the packing houses. Payment No. 3 on 1923 apricots was sent out in July, at which time about one million pounds of 1923 apricots, in storage, on consignment, and in transit, remained to be sold. Plans were also being made for a fourth payment.

Arrangements had been made with the banks to borrow on warehouse receipts up to two-thirds of the market value to take care of first payments on the 1924 crop, but, in view of the volume of sales already made, it is believed that the association will be able to finance delivery of the entire apricot crop without borrowing any considerable sums. A substantial saving in interest and carrying costs will result from this policy and it will be possible to pay the growers more promptly.

Opening prices on prunes were given out June 30. During the first twelve days of July sales totaled 12,070,000 pounds, as compared with 3,500,000 pounds in the same period last year. Substantial sales of 1923 stock are reported, the prices having been reduced to meet the market. Five million pounds of the smaller sizes (of the 1923 crop) have been sold in Europe since July 1. The export manager believes an excellent market can be developed in those European countries that raise only enough fruit to be used in a fresh state and are without native fruit during the winter months.

ALBERTA ORGANIZES TO MARKET CROPS OTHER THAN GRAIN

A province-wide organization for marketing all farm products other than grain, is being planned by a committee of seven from the United Farmers of Alberta, Calgary, Alta. A charter is to be obtained as soon as possible. It is expected that the provisional board will be made up of the present committee and three other members who will be appointed by organizations interested in the cooperative marketing of various commodities. The necessary marketing agreement, memorandum of association, and by-laws will be prepared by the provisional board of trustees.

It is proposed to organize three main groups of products: dairy products, eggs and poultry, and livestock.

The action which is now being taken by the marketing committee follows a very thorough inquiry into the whole problem of cooperative marketing in Alberta and conferences with the Alberta government, and was authorized at a recent meeting of the Central Board of the United Farmers of Alberta.

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FISHERMEN PLAN TO MARKET COOPERATIVELY

Fishermen belonging to the Fishermen's Union of the Atlantic, Boston, Mass., are taking a lesson from agriculture and planning to pool and market cooperatively the fish they catch. After consultation with a number of leaders of farmers' cooperative marketing associations, plans have been made for the creation of a department in the union to be known as the Eastern Fish Department which shall supervise the marketing of fish delivered to the union. This department is to be managed entirely on a cooperative, nonprofit basis, by a board of eleven directors. A cooperative marketing agreement has been drafted which provides for the sale to the union of all the fish secured or controlled by members during the years 1924 to 1929 inclusive. Provision is made for pooling fish of like kind, grade and quality. Liquidated damages for breach of contract are placed at two cents a pound. The union is given authority to enjoin for threatened breach of contract and to demand a decree of specific performance.

It is stated that the efforts of the union will be directed first of all toward the stabilization of wholesale fish prices and the development of a program for expanding the existing market for fish. At present the supply is practically all marketed within 200 miles of Boston. It is proposed to include in the various pools the entire catch of members delivered at ports from Calais, Me., to Cape May, N. J.

CREDIT CORPORATION PERFORMS GREAT SERVICE FOR FARMERS

A booklet entitled "Financing Crop Production" has been issued by the Department of Information of the North Carolina Cotton Growers' Co-operative Association, Raleigh, N. C., to explain the purposes and methods of the North Carolina Agricultural Credit Corporation which, it is stated, has been very successful in aiding the farmers of the state the past season. Loans are procured through the corporation from the Intermediate Credit Bank at 7% while statistics compiled by the association show that crop credit has been costing the farmers heretofore from 25% to 40%. From a survey in 1921 by the North Carolina Department of Agriculture it was estimated that merchant credit obtained by the farmers of the state amounted to \$120,000,000. As the average rate of interest was estimated at 22.3%, the saving on such a sum at 7% would amount to \$9,000,000 for the six months that this class of accommodation is generally furnished.

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COTTON ASSOCIATION REPORTS INCREASED PRICE

According to its monthly statistical summary, on July 1, 1924, the Staple Cotton Association, Greenwood, Miss., had received 107,406 bales of cotton, of which 92,625 bales had been sold and 14,781 remained unsold.

Figures showing total distributions to members on that date for three years are as follows:

July 1	: Bales Received	: Amount Distributed	: Cents Per Pound
	:	to Members	:
1922	: 156,357	: \$17,218,283	: 21.86
1923	: 168,288	: 21,576,004	: 25.31
1924	: 107,406	: 15,353,067	: 28.71

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SEVENTY DOLLARS A BALE TO BE ADVANCED ON TEXAS COTTON

An advance of \$70 a bale on delivery of 1924 cotton has been agreed upon by the directors of the Texas Farm Bureau Cotton Association, Dallas, Tex. This rate is for bales averaging 500 pounds or more. For lesser average 14¢ a pound will be advanced. Members are given instructions as to how to figure the initial advances and are urged to make drafts upon the association for the amounts authorized.

In order to facilitate matters a supply of members' drafts and assignment blanks has been forwarded to every bank in the state, together with a letter of explanation, copies of the shipping instructions and a poster showing the correct preparation of the bill of lading.

A small quantity of 1923 cotton still remains unsold but every effort is being made to close out and to make the final distribution within the next thirty or forty days. It is announced that the net price will exceed 29¢ a pound, basis middling.

FIFTY-SIX CENTS ADVANCED ON COLORADO WHEAT

Fifty-six cents per bushel on No. 1 wheat is to be advanced to members of the Colorado Wheat Growers' Association, Denver, Colo. This advance represents approximately the amount the association is able to borrow on new wheat, and there is a possibility that a larger advance may be made if market conditions justify heavier loans. Further advances will be made as the wheat is sold, probably one payment between February 15 and March 15, and another prior to the final settlement about July 1.

The general office of the association has been moved from Sterling to Denver as a means of keeping in closer touch with members.

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MICHIGAN ELEVATOR EXCHANGE TO REORGANIZE WITH CAPITAL STOCK

Business amounting to \$4,850,000 was conducted during the last year by the Michigan Elevator Exchange, Lansing, Mich. The sales service to its member elevators included the handling of 1,937 cars of grain, 1,557 cars of hay, and 1,250 cars of beans, making a total of 4,744 cars. Operations for the year resulted in a surplus of \$18,000.

At the annual meeting, held on July 16, it was decided to change from a cooperative membership basis to a cooperative stock company, which action is expected to improve the financial condition of the company. Another important matter was the unanimous approval by the delegates of the acquiring of the Michelex Elevator and Warehouse Company, established at Port Huron to store and handle beans for the farmers' elevators. The Michelex Elevator and Warehouse Company is a subsidiary company organized to operate a plant at Port Huron which is fully equipped for the handling of beans. Choice, hand-picked stock will go out under the "Michelex" brand. It is expected to advertise this brand and thus to increase the sales of choice, hand-picked beans. The exchange was authorized by the delegates to invest \$20,000 in the capital stock of this company. Preferred stock will be offered to local elevators and to individual growers.

The delegates voted that the \$200 invested by each member elevator in the Michigan Elevator Exchange should be returned in the form of stock in the reorganized company. A \$10,000 patronage dividend was authorized from the surplus, to be distributed among the member associations as stock in the Michigan Elevator Exchange, according to the amount of business done by each with the exchange.

The past season was the third for the bean department and about one-seventh of the crop of the state was handled. The number of cars of beans increased from 750 in 1922 to 1,250 for the 1923 crop.

SOUTH DAKOTA'S FIRST WHEAT POOL CLOSED

About half a million bushels of wheat of the 1923 crop was handled by the South Dakota Wheat Growers' Association, Aberdeen, S. D., in its first state wheat pool. This association was the first one to take advantage of the cooperative marketing law enacted during the last session of the legislature. It was incorporated on June 29, 1923, and began receiving wheat on August 19. An advance was made to growers on delivery of their wheat, a second advance on March 20, and final settlement in July. Five banks in Aberdeen and one in Minneapolis financed the handling of the 1923 crop. Arrangements have been made through a local bank with the Federal Intermediate Credit Bank at Omaha for funds for financing the 1924 pools.

The following statement issued by the Association shows the expense of operation of the first pool which closed March 1:

<u>Direct Charges</u>	<u>Cents per Bu.</u>	
Terminal charges	.4	
Farm storage, elevator handling and storage	7.8	
Interest and insurance	<u>1.5</u>	9.7
<u>Operating Charges</u>		
Administration expense	.8	
Office upkeep	.8	
Upkeep Minneapolis and Duluth sales offices	.9	
American Wheat Growers Associated, office expenses	<u>.6</u>	3.1
Reserve fund		<u>1.0</u>
Total		13.8

Three and one-half cents per bushel is paid to elevators for handling and one cent per bushel per month for the time the wheat is held in storage. Farmers were paid storage of one cent per bushel per month from November 1 to March 1 for wheat held on the farms. Wheat was received at 185 elevators, none of which are owned by the association. Wheat may be delivered at any bonded elevator in the state and storage tickets properly endorsed will be honored.

The association had 3,225 members early in July and is making a systematic campaign to increase the number to 10,000, thereby securing control of 40% of the 1924 crop. It is believed that handling a larger quantity of wheat will result in a material reduction in expenses.

Sales were made through the American Wheat Growers, Associated, Minneapolis, Minn., a federation of state wheat growers' associations.

The spring pool opened on March 1, the date on which the winter pool was closed. It was expected that the directors would set some day in July for closing the spring pool.

OREGON COOPERATIVE GRAIN GROWERS SUSPENDS OPERATIONS

After functioning for three years the Oregon Cooperative Grain Growers, Portland, Oregon, will suspend marketing activities for the present, according to a resolution adopted by the Board of District Delegates under date of June 20. The resolution, after reciting that the Oregon 1924 wheat crop is less than 50% of normal, that the wheat crop of the United States and Canada is below normal, and that the reduction in exportable surplus will raise the price level, states, "We believe in order to obtain greater benefits through the association a larger percentage of growers should participate, and, in order to afford an opportunity to secure said increase in membership, be it resolved, that the Oregon Cooperative Grain Growers hereby temporarily suspend operations until such time as its Board of Directors feel that it would be to the best interests of its membership to resume operations."

In a circular signed by the Board of District Delegates and issued under date of June 30, it is pointed out that when the association was organized in the spring of 1921, grain marketing conditions were unsatisfactory in two respects. First, grain buyers were insisting on buying Pacific Coast wheat on the basis of the Chicago market less freight to Chicago. Second, available data indicated that the grain market opened each year with a low price in the fall and advanced with the season, reaching the highest levels in May and June. "During their three years of operating the association the farmers have actually accomplished the two things which they set out to do," it is stated. For the past two years Coast prices for wheat have been held on an equality with the values of the export wheats which flow to market through Chicago and Duluth This wheat has been marketed in an orderly manner throughout the year and the price that the association has returned to the membership has been the average of the year's market value."

The past year the association has exported wheat to Hull, Liverpool, London and Portsmouth, England; Glasgow, Scotland; Antwerp, Belgium; Rotterdam, Holland; Kobe, Yokahama, Nagoya, Japan; Shanghai, China; and to Mexico.

In the opinion of the Board of District Delegates wheat is being handled more economically than formerly. It is stated that whereas prior to 1921 the Western farmer received about 88% of the price paid the Mississippi Valley wheat grower, today the Coast prices are about the same.

The officers of the organization believe that "for the past three years, the associations have been responsible for the distribution throughout the wheat-growing country of at least \$15,000,000 more than would have been paid for the grain had the association not existed."

INCREASED EGG BUSINESS REPORTED BY TULARE ASSOCIATION

A new high record for June was established by the Tulare Cooperative Poultry Association, Tulare, Calif., when its business reached the sum of \$33,867. The increase was entirely in the egg department and was due partly to larger volume and partly to increased prices. Seventeen thousand dollars worth of eggs were handled as compared with \$13,000 in June, 1923. Prices advanced 5¢ above May prices and nearly two thousand cases were handled. The largest producer delivered 1,108 dozens of eggs, and two others delivered more than one thousand dozen each. Eggs delivered by one member graded 99% ones.

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SECOND SEASON OPENS FOR WHITE EGG AUCTION

The auction method is used by the Pacific Egg Producers Cooperative, Incorporated, New York, N. Y., in its sales of Pacific White Eggs. During the 1923-24 season 195 auctions were held, at which 5,899 sales were made to 328 buyers. The total sales for the season amounted to 224,500 crates of eggs. A sales record of 1,123 dozens per minute was established.

The 1924-25 season opened July 7. One of the added features of the auction this season is the display of daily official quotations from New York and San Francisco. A chart showing the trend of prices, receipts and consumption is another interesting feature. Bids by telephone will be received at any time during the sale.

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EGGS ARE CHIEF PRODUCT HANDLED

Eggs continue to be the most important product handled by the New Hampshire Cooperative Marketing Association, Inc., Manchester, N. H. as indicated by the fact that while the business for June amounted to \$43,747, the value of the eggs handled was \$41,542, with apples, potatoes and wool coming next in order. Of the eggs received in June 85 $\frac{1}{2}$ % graded "Just Laid". A considerable increase in business is reported. A comparative statement for the first six months of 1923 and the same period of 1924 gives the following figures:

Jan. 1 to	:	Volume of	:	Eggs	:	Average Prices
July 1	:	Business	:	Handled	:	No. 1 Eggs
	:		:	(cases)	:	
1923	:	\$195,209	:	14,295	:	46¢
1924	:	297,825	:	23,101	:	45¢

Percentage of increase in volume of business was 52.6 and in eggs handled, 61.6.

FEDERATION OF EGG-MARKETING ASSOCIATIONS FORMED

Seven of the 25 district associations formed for the cooperative marketing of Minnesota eggs and poultry are now functioning, as well as the overhead state sales organization into which they are federated. The state association was formed May 3, 1924, under the name, Minnesota Egg and Poultry Exchange, with headquarters at St. Paul. Both a general manager and a sales manager have been selected.

Each of the district units is independently incorporated as a nonstock, nonprofit association with its own business organization. Each has its own receiving stations and packing plant where the eggs and poultry are assembled, candled, graded and packed for shipment. Grower members are held to the local associations by binding contracts extending over five years.

The first district association began operating in September of 1923; three associations started operation on April 1, 1924; one, May 8; one, June 20; and one, July 1. It is estimated by the management of the state exchange that the seven district associations have a total membership of 7,000, and that each member keeps from 100 to 150 hens. Two of the operating associations are each handling business which will total a quarter of a million dollars for the current year.

Twenty-five districts have been organized in the state and as rapidly as these secure enough members to insure the necessary volume of business for efficient operation, the machinery for collecting, grading, packing and shipping eggs will be set up. It is expected that eventually there will be about 40 district associations.

The task of organizing the Minnesota producers of poultry and poultry products was undertaken March 3, 1923, by the appointment of a committee to make a survey of existing conditions. Subsequently a farm paper at St. Paul commissioned its marketing specialist to direct active organization work. For seven months, and entirely at the expense of the farm paper, this man traveled over the state holding meetings and training local men for conducting sign-up campaigns. He traveled over 16,000 miles, holding 115 committee meetings in twenty-seven counties, and directly or indirectly secured the signatures of 13,000 producers. During this time the farm paper devoted many columns of its reading space to reporting upon and encouraging the organization work.

An interesting feature in connection with the Minnesota egg marketing program is the issuing by one of the district associations of a formal warning to "all grocers and dealers in eggs and poultry," calling attention to those sections of the state cooperative marketing law which make it a misdemeanor to attempt to induce any member of an association to break his marketing contract with the association. A complete list of the membership of the association issuing the warning is given along with an order to desist and to cease "soliciting and persuading or permitting members to violate or breach their marketing contracts."

WOOL GROWERS' ASSOCIATION DISSEMINATES MARKET NEWS

Seventy-one distinct sheep outfits are included in the membership of the Arizona Wool Growers' Association, Flagstaff, Ariz., according to the annual report of the secretary-treasurer, presented at the 38th annual convention, July 7-9, 1924. A total of 415,862 head of sheep are represented. Three mohair growers have also become members and it is believed that others may be persuaded to join.

During the past season weekly telegrams on the wool market were received from the Federal market reporter at Boston, and this information was distributed to members through the bulletin of the association which was issued weekly during the wool season, giving the current quotations on wool and mohair, also current comment on the market, and any other information which might be of interest and value to the members.

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CALIFORNIA WOOL HANDLED IN SAN FRANCISCO THIS SEASON

As many California wool growers this year became members of the Pacific Cooperative Wool Growers, Portland, Ore., arrangements were made for handling their wool at San Francisco. A warehouse was licensed under the U. S. Warehouse Act and a crew of experienced graders and weighers put to work on the California wools. On July 10 some 350,000 pounds of wool had been received.

As a result of a conference between the manager of the Pacific Cooperative Wool Growers and the officers of the California Wool Growers' Association, a non-marketing organization, it was decided to appoint an advisory committee in order to link up the selling association more closely with the California members. Four growers have been appointed on this committee and more will be added as the need arises.

On July 10 it was reported that 1,500,000 pounds of wool had been received at the Portland warehouse and that 60% of the Valley wools were graded. About 80,000 pounds came from new members in the vicinity of Carey, Idaho.

Efforts have been made by the association to standardize Oregon grades for mohair, and a cooperative agreement has been entered into between the U. S. Department of Agriculture and the Pacific Cooperative Wool Growers, whereby an expert grader has been stationed at the Portland warehouse and has been grading and sorting mohair according to the grades proposed by the U. S. Department of Agriculture.

Wool market information, received by telegraph from the Boston office of the U. S. Department of Agriculture is broadcast each Tuesday evening from the office of a Portland newspaper.

More than 300 members have joined the association since January first. All members are urged to aid in securing new members among their wool growing neighbors, and all members are urged to deliver their wool promptly in order that the grading and selling plans may be completed.

SEVENTY THOUSAND MINNESOTA FARMERS COOPERATE IN SELLING BUTTER

Although organized less than a year ago the butter sales department of the Minnesota Cooperative Creameries Association, St. Paul, Minn., sold 158 cars of butter in June. Shipments to New York City and Philadelphia were approximately 46 cars, the other 112 cars went to markets in which association butter is just getting a foothold. Sixty-six of the 158 car lots were forwarded by boat from Duluth at a considerable saving in freight. The butter to be sold through the butter-sales department is assembled, inspected and prepared for shipment at receiving stations established by the association at St. Paul and Duluth.

"Land O'Lakes" butter, made from sweet cream not over two days old, sold on the New York market, according to the manager of the department, for 1.05¢ a pound above the price of extras. Arrangements were made recently for Federal-State inspection of all butter to be sold under the "Land O'Lakes" brand. Each label will show the facts connected with the inspection of the contents of the package to which the label is affixed.

A small quantity of butter, coming from a single county, is sold with a certificate guaranteeing that it is made not only from fresh, sweet cream but that all the cream is produced by 100% tuberculin-free herds.

Butter is taken over for sale by the butter-sales department only as rapidly as satisfactory marketing outlets can be established. At the present time the association is actually selling the output of about 200 of the 475 creameries in the federation. The butter from the other creameries is forwarded to market to be handled on consignment.

During the month of June the 475 creameries, with their 70,000 patrons, which are federated to form the association, forwarded to market 357 carloads of butter which sold for more than \$4,000,000. The New York office of the association handled 203 cars of butter and 3,721 cases of eggs; the Philadelphia office, 23 cars; and the Chicago office, 19. The cost to the member creameries of the field and city market services furnished by the association was four-tenths of one cent a pound for the month. The creamery machinery and supply department of the association during the first six months of 1924 made approximately eight thousand sales to seven hundred customers, these sales amounting to \$723,900. The net profits of this business were \$80,000. Last January a large dividend of nearly \$40,000 was paid on the 1923 business.

The auditor's report for June gives the net worth of the association as \$215,548; total assets, \$679,532; current liabilities, \$430,524; and outstanding certificates of indebtedness, \$33,559.

The Minnesota Cooperative Creameries Association, Inc., was organized June 7, 1921. In January of 1923 it reported 382 member creameries, and a year later, 450. Now there are 475. Each member creamery is bound to the association by a membership agreement running for two years and

then continuously, except that either party may terminate the agreement on January 1 of any year after 1926 by giving 30 to 60 days notice. The agreement provides for (1) the purchase by the member creamery of a designated number of shares of the capital stock of the association; (2) payments by the creamery to the association for services rendered of 1/4¢ a pound on all butter marketed, 1% of selling value of other products, 2¢ per cwt. on butter for district associations, the expense of grading, testing, loading, storing, financing, and marketing butter delivered to the association for sale, and 1¢ per pound on butter sold by the association, to be used in creating a permanent liquid revolving fund which will be covered by certificates of indebtedness running for two years; (3) the setting up and conducting by the association of a field-service department, a claim department, and a traffic department; (4) the establishment of offices in New York, Philadelphia, Chicago and St. Paul; (5) the establishment of shipping units; and (6) the creation and operation of a purchasing department.

The field-service department of the association was one of the first to become fully developed. Fieldmen were selected who assisted the creameries to secure high-grade cream and to manufacture products of even and dependable market quality.

Shipping units were organized that the output of the creameries might be assembled economically in car lots for movement to the consuming centers. It is estimated that the saving in freight because of consolidated shipments is over \$200,000 a year.

The certificates of indebtedness, issued to cover deductions for working capital, bear interest of 6% annually and are payable in two years.

The agreement gives the association authority to "establish such grades, brands and labels as it deems advisable," and to mingle butter of like grade. The creamery agrees that "it will pack, mark and ship its products in and under such grades, brands and labels, and in such quantities and standards as the association shall from time to time prescribe."

Liquidated damages for breach of contract are placed at 1/2¢ a pound on all butter not consigned or marketed in accordance with the terms of the membership agreement.

A cooperative creamery patronage contract has been drafted and its use by local creameries in dealing with their members is suggested. The contract calls for the delivery of butterfat produced by the signing member for a period of five years. Breach of contract on the part of the producer calls for liquidated damages at the rate of 5¢ a pound. The producer agrees in event of possible breach of contract to an injunction and a decree of specific performance.

A report of the third annual meeting of the stockholders of the Minnesota Cooperative Creameries Association, held March 4, 1924, may be found in the issue of Agricultural Cooperation for April 7, page 111; and an account of the selection of the brand name "Land O'Lakes" may be found in the issue for May 19, page 166.

SOUTH DAKOTA WHEAT GROWERS' ISSUE HOUSE ORGAN

The first number of a four-page monthly known as "The South Dakota Wheat Grower", made its appearance in June. The new publication is the official organ of the South Dakota Wheat Growers' Association, Aberdeen, S. D.

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DIRECT LOANS TO COOPERATORS OVER THIRTY-FOUR MILLIONS

Direct loans to agricultural cooperative associations by the twelve Federal Intermediate Credit Banks amounted to \$34,697,345 during the calendar year of 1923. The exact amounts of the loans to the associations handling the various commodities were:

Cotton	\$16,282,506
Tobacco	8,216,444
Raisins and Prunes	5,400,000
Wheat	2,639,562
Canned Fruit	1,379,902
Rice	342,939
Wool	193,902
Broomcorn	100,000
Peanuts	56,300
Red Top Seed	25,800
Total	\$34,697,345

Part of the loans were repaid before the close of the year.

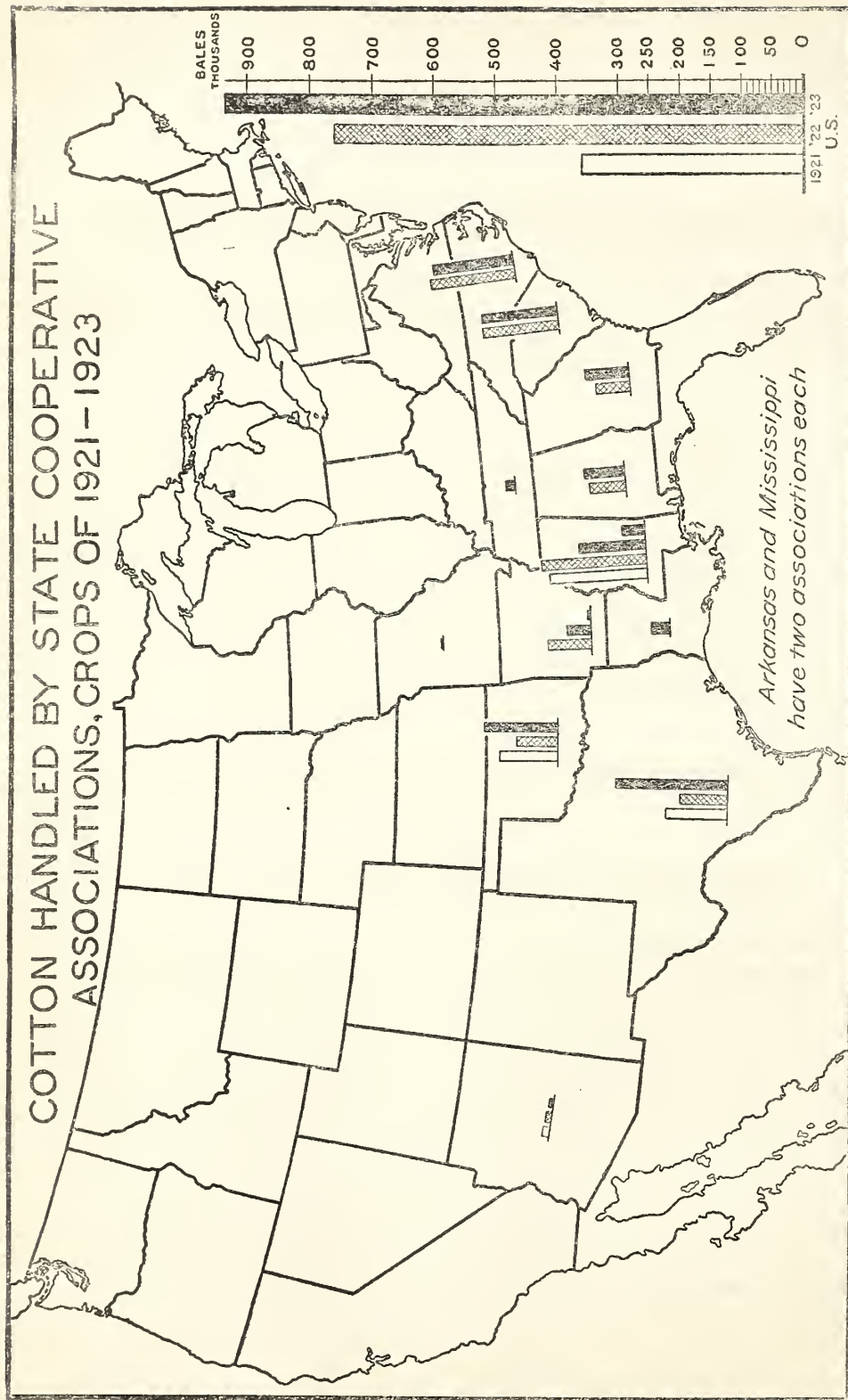
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SHIPPING ASSOCIATIONS TO COMPETE FOR PRIZE

In order to stimulate careful loading and handling of livestock, especially during the hot weather, the National Livestock Producers' Association, Chicago, Ill., is offering a beautiful trophy to the shipping association which sustains the smallest percentage of loss on shipments in transit during the six months from July 1 to December 31, 1924. This action is part of a general campaign to assist the carriers to reduce to the minimum losses on all stock consigned to producers' agencies. Losses last year on \$90,000,000 of producer business averaged \$2 a car, part of which was recovered from the railroads through the filing of claims.

It is stated that railroads and farm organizations are cooperating in this contest to improve service in the matter of handling livestock. Another trophy has been offered by the Illinois Agricultural Association to the winning association in Illinois and it is expected that each of the terminal selling agencies of the producers may take similar action.

A minimum of 20 cars shipped during the six months will be required to qualify shipping associations for the contest. The rating will be on the basis of percentage of loss or damage of the net value of the shipment. All necessary records will be kept by the terminal agencies.



The first of the centralized state cotton associations began handling cotton with the crop of 1921. Four associations marketed 359,467 bales of that crop; nine associations handled 759,429 bales of the 1922 crop; and fourteen associations 927,793 bales of the 1923 crop.